

COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

101ST GENERAL ASSEMBLY

BILL NO: **SB 3747**

February 27, 2020

SPONSOR (S): Martinez

SYSTEM(S): General Provisions Article

FISCAL IMPACT: The pension funds impacted by SB 3747 will incur a small cost for triennial trustee-related educational expenses pertaining to fiduciary duties, investment policies, and investment sustainability.

SUBJECT MATTER: SB 3747 amends the General Provisions article of the Illinois Pension Code to require selected pension fund trustees to complete at least 2 hours of Illinois pension code-related continuing education at least once every 3 years.

COMMENT: SB 3747 directs trustees of certain pension funds that have investment authority to complete at least 2 hours of continuing education regarding fiduciary duties, investment policies, and investment sustainability every 3 years. All systems governed under the Pension Code are impacted, except Downstate Police, Downstate Fire, SERS, GARS, and JRS, inasmuch as these funds currently function (or will function) in conjunction with a separate entity for pension fund asset investment purposes. For current trustees, the 2 hours of continuing education must be completed within 6 months after the effective date of this legislation. For future trustees, this education must be completed within 6 months of first becoming a trustee.

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